

**APPEAL RECOMPUTATION OF THE
AUDIT REPORT**

**CENTRO MEDICO—CATHEDRAL CITY
CATHEDRAL CITY, CALIFORNIA
PROVIDER NUMBER: FHC71173F
NATIONAL PROVIDER IDENTIFIER: 1619036514**

**FISCAL PERIOD ENDED
JUNE 30, 2008**

**Audits Section—San Diego
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Patricia M. Fox
Audit Supervisor: Woosung Lee
Auditor: Jeff Cates**



TOBY DOUGLAS
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

November 26, 2013

Bruce Hebets, CEO
Borrego Community Health Foundation
655 Palm Canyon Drive, Suites D and E
Borrego Springs, CA 92004

CENTRO MEDICO—CATHEDRAL CITY
PROVIDER NUMBER FHC71173F
NATIONAL PROVIDER IDENTIFIER (NPI) 1619036514
FISCAL PERIOD ENDED JUNE 30, 2008
CASE NUMBER: FQ13-0608-378H-SG

Pursuant to the Office of Administrative Hearings and Appeals' Report of Findings dated October 1, 2013, the following revisions are made to the Medi-Cal audit report dated November 1, 2012.

SUMMARY OF REVISIONS

	<u>COST</u>	<u>RATE PER VISIT</u>
Audited Cost and Rate Per Visit	\$ 2,759,066	\$ 192.47
Revision	<u>1,634</u>	<u>.11</u>
Revised Cost and Rate Per Visit	\$ <u>2,760,700</u>	\$ <u>192.58</u>

Enclosed are the revised schedules detailing the results of the recomputation.

Original Signed by

Patricia M. Fox, Chief
Audits Section—San Diego
Financial Audits Branch

Certified

COMPUTATION OF MEDI-CAL PROSPECTIVE PAYMENT SYSTEM RATE

Provider Legal Name:	Provider No. (NPI)	Fiscal Period Ended:
CENTRO MEDICO—CATHEDRAL CITY	FHC71173F (1619036514)	JUNE 30, 2008

PART A - DETERMINATION OF OVERHEAD APPLICABLE TO MEDICAL SERVICES	AUDITED	REVISED
1. Cost of Services Excluding Overhead (Sch 2, L 29)	\$ 1,344,562	\$ 1,344,562
2. Nonreimbursable Costs Excluding Overhead (Sch 2, L 57)	364,468	364,468
3. Cost of All Services Excluding Overhead (L A1 + L A2)	\$ 1,709,030	\$ 1,709,030
4. Percentage of Nonreimbursable Costs (L A2 / L A3)	0.213260	0.213260
5. Total Overhead (Sch 2, L 53)	\$ 1,797,931	\$ 1,800,008
6. Overhead Applicable to Nonreimbursable Costs (L A4 * L A5)	383,427	383,870
7. Overhead Applicable to Medical Services (L A5 - L A6)	1,414,504	1,416,138
8. Total Cost of Medical Services (L A1 + L A7)	\$ 2,759,066	\$ 2,760,700
 PART B - DETERMINATION OF PPS RATE		
1. Total Medical Costs (L A8)	\$ 2,759,066	\$ 2,760,700
2. Total FQHC/RHC Visits	14,335	14,335
3. Total Nonreimbursable Services Visits	0	0
4. FQHC/RHC Adjusted Visits (L B2 - L B3)	14,335	14,335
5. FQHC/RHC PPS Rate Per Visit (L B1 / L B4)	\$ 192.47	\$ 192.58

SCHEDULE OF TRIAL BALANCE EXPENSES

Provider Legal Name:

Provider No. (NPI)

Fiscal Period Ended:

CENTRO MEDICO—CATHEDRAL CITY

FHC71173F (1619036514)

JUNE 30, 2008

Cost Center

	AUDITED	REVISIONS (From Sch 2A)	REVISED
FQHC/RHC Health Care Cost			
1. Physician	\$356,536	\$0	\$356,536
2. Physician Assistant	143,452	0	143,452
3. Nurse Practitioner	32,758	0	32,758
4. Other Nurse	207,460	0	207,460
5. Laboratory Technician	27,113	0	27,113
6. Other (Specify)	0	0	0
7. Case Management	46,341	0	46,341
8. Other Medical - CPHW	87,388	0	87,388
9. Medical Records	55,094	0	55,094
10. Support Staff	147,091	0	147,091
11.	0	0	0
12. Front Office	163,355	0	163,355
13. Subtotal-Health Care Costs	\$1,266,588	\$0	\$1,266,588
14. Physician Services Under Agreement	\$6,800	\$0	\$6,800
15. Physician Supervision	0	0	0
16.	0	0	0
17. Other Health Care Costs			
18. Pharmacy	\$15,715	\$0	\$15,715
19. Dental	0	0	0
20. Optometry	0	0	0
21. Medical Supplies	28,657	0	28,657
22. Depreciation-Medical Equipment	0	0	0
23. Professional Liability Insurance	0	0	0
24. Home Office Costs (from H.O. cost report-sch 6)	7,394	0	7,394
25. Laboratory	10,163	0	10,163
26. Radiology	0	0	0
27. Minor Medical Equipment and Rental / CME	9,245	0	9,245
28. Subtotal-Other Health Care Costs	\$71,174	\$0	\$71,174
29. Total Health Care Costs (Sum of Lines 13, 14, 15, 16, and 28)	\$1,344,562	\$0	\$1,344,562
FQHC Overhead-Facility Cost			
30. Rent	\$143,130	\$0	\$143,130
31. Insurance	224	0	224
32. Interest Expense	5,294	0	5,294
33. Utilities	15,909	0	15,909
34. Depreciation-Building	0	0	0
35. Depreciation-Equipment	0	0	0
36. Housekeeping And Maintenance	116,882	0	116,882
37. Property Tax	0	0	0
38. Minor Equipment	0	0	0
39. Home Office Costs (from H.O. cost report-sch 6)	35,334	0	35,334
40.	0	0	0
41. Subtotal-Facility Costs (Lines 30-40)	\$316,773	\$0	\$316,773
FQHC Overhead-Administrative Cost			
42. Office Salaries	\$1,165,402	\$0	\$1,165,402
43. Depreciation-Office Equipment	0	0	0
44. Office Supplies	17,663	0	17,663
45. Legal	0	0	0
46. Accounting	0	0	0
47. Insurance (Specify)	0	0	0
48. Telephone	7,766	0	7,766
49. Fringe Benefits And Payroll Taxes	0	0	0
50. Home Office Costs (from H.O. cost report-sch 6)	264,703	2,077	266,780
51. Other (Specify)	25,624	0	25,624
52. Subtotal-Administrative Costs (Lines 42-51)	\$1,481,158	\$2,077	\$1,483,235
53. Total Cost Subject To Allocation (Sum of Lines 41 and 52)	\$1,797,931	\$2,077	\$1,800,008
54. Nonreimbursable Costs (Specify)	\$364,468	\$0	\$364,468
55.	0	0	0
56.	0	0	0
57. Subtotal Nonreimbursable Costs	\$364,468	\$0	\$364,468
58. Total FQHC Costs (Sum of Lines 29, 53, and 57)	\$3,506,961	\$2,077	\$3,509,038

REVISIONS TO AUDITED COSTS

Provider Legal Name:

Provider No. (NPI)

Fiscal Period Ended:

CENTRO MEDICO—CATHEDRAL CITY

FHC71173F (1619036514)

JUNE 30, 2008

Cost Center	Total	Revision (No. 1)					
FQHC/RHC Health Care Cost							
1. Physician	0						
2. Physician Assistant	0						
3. Nurse Practitioner	0						
4. Other Nurse	0						
5. Laboratory Technician	0						
6. Other (Specify)	0						
7. Case Management	0						
8. Other Medical - CPHW	0						
9. Medical Records	0						
10. Support Staff	0						
11.	0						
12. Front Office	0						
13. Subtotal-Health Care Costs	0	0	0	0	0	0	0
14. Physician Services Under Agreement	0						
15. Physician Supervision	0						
16.	0						
17. Other Health Care Costs							
18. Pharmacy	0						
19. Dental	0						
20. Optometry	0						
21. Medical Supplies	0						
22. Depreciation-Medical Equipment	0						
23. Professional Liability Insurance	0						
24. Home Office Costs (from H.O. cost report-sch 6)	0						
25. Laboratory	0						
26. Radiology	0						
27. Minor Medical Equipment and Rental / CME	0						
28. Subtotal-Other Health Care Costs	0	0	0	0	0	0	0
29. Total Health Care Costs (Sum of Lines 13, 14, 15, 16, and 28)	0	0	0	0	0	0	0
FQHC Overhead-Facility Cost							
30. Rent	0						
31. Insurance	0						
32. Interest Expense	0						
33. Utilities	0						
34. Depreciation-Building	0						
35. Depreciation-Equipment	0						
36. Housekeeping And Maintenance	0						
37. Property Tax	0						
38. Minor Equipment	0						
39. Home Office Costs (from H.O. cost report-sch 6)	0						
40.	0						
41. Subtotal-Facility Costs (Lines 30-40)	0	0	0	0	0	0	0
FQHC Overhead-Administrative Cost							
42. Office Salaries	0						
43. Depreciation-Office Equipment	0						
44. Office Supplies	0						
45. Legal	0						
46. Accounting	0						
47. Insurance (Specify)	0						
48. Telephone	0						
49. Fringe Benefits And Payroll Taxes	0						
50. Home Office Costs (from H.O. cost report-sch 6)	2,077	2,077					
51. Other (Specify)	0						
52. Subtotal-Administrative Costs (Lines 42-51)	2,077	2,077	0	0	0	0	0
53. Total Cost Subject To Allocation (Sum of Lines 41 and 52)	2,077	2,077	0	0	0	0	0
54. Nonreimbursable Costs (Specify)	0						
55.	0						
56.	0						
57. Subtotal Nonreimbursable Costs	0	0	0	0	0	0	0
58. Total FQHC Costs (Sum of Lines 29, 53, and 57)	2,077	2,077	0	0	0	0	0

REVISIONS TO AUDITED COSTS

Provider Legal Name:

Provider No.

Fiscal Period Ended:

CENTRO MEDICO—CATHEDRAL CITY

FHC71173F (1619036514)

JUNE 30, 2008

Cost Center

FQHC/RHC Health Care Cost

1. Physician							
2. Physician Assistant							
3. Nurse Practitioner							
4. Other Nurse							
5. Laboratory Technician							
6. Other (Specify)							
7. Case Management							
8. Other Medical - CPHW							
9. Medical Records							
10. Support Staff							
11.							
12. Front Office							
13. Subtotal-Health Care Costs	0	0	0	0	0	0	0

14. Physician Services Under Agreement							
15. Physician Supervision							
16.							

17. Other Health Care Costs

18. Pharmacy							
19. Dental							
20. Optometry							
21. Medical Supplies							
22. Depreciation-Medical Equipment							
23. Professional Liability Insurance							
24. Home Office Costs (from H.O. cost report-sch 6)							
25. Laboratory							
26. Radiology							
27. Minor Medical Equipment and Rental / CME							
28. Subtotal-Other Health Care Costs	0	0	0	0	0	0	0

29. Total Health Care Costs (Sum of Lines 13, 14, 15, 16, and 28)	0	0	0	0	0	0	0
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FQHC Overhead-Facility Cost

30. Rent							
31. Insurance							
32. Interest Expense							
33. Utilities							
34. Depreciation-Building							
35. Depreciation-Equipment							
36. Housekeeping And Maintenance							
37. Property Tax							
38. Minor Equipment							
39. Home Office Costs (from H.O. cost report-sch 6)							
40.							
41. Subtotal-Facility Costs (Lines 30-40)	0	0	0	0	0	0	0

FQHC Overhead-Administrative Cost

42. Office Salaries							
43. Depreciation-Office Equipment							
44. Office Supplies							
45. Legal							
46. Accounting							
47. Insurance (Specify)							
48. Telephone							
49. Fringe Benefits And Payroll Taxes							
50. Home Office Costs (from H.O. cost report-sch 6)							
51. Other (Specify)							
52. Subtotal-Administrative Costs (Lines 42-51)	0	0	0	0	0	0	0

53. Total Cost Subject To Allocation (Sum of Lines 41 and 52)	0	0	0	0	0	0	0
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54. Nonreimbursable Costs (Specify)							
55.							
56.							
57. Subtotal Nonreimbursable Costs	0	0	0	0	0	0	0

58. Total FQHC Costs (Sum of Lines 29, 53, and 57)	0	0	0	0	0	0	0
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Provider Name					Fiscal Period	Provider Number, NPI	Revisions	
CENTRO MEDICO—CATHEDRAL CITY					JULY 1, 2007 THROUGH JUNE 30, 2008	FHC71173F, 1619036514	1	
Report References					Explanation of Audit Adjustments	As Audited	Increase (Decrease)	As Revised
Rev. No.	Revised Audit Report		Audit Report					
	Schedule	Line	Schedule	Line				
<u>REVISED ADJUSTMENT TO REPORTED COSTS</u>								
1	2A	50	2A	50	Home Office Costs To include payroll processing fees because the provider's appeal was granted to the extent of Audit's proposed revision. INFORMAL APPEAL FINDING—ISSUE 2 CASE NUMBER FQ13-0608-378H-SG	\$264,703	\$2,077	\$266,780